



Activision to Open Studio Facility on DreamWorks Animation Campus

Move Establishes Unprecedented Level of Collaboration Between Video Game Company and a Hollywood Studio

SANTA MONICA, Calif. and GLENDALE, Calif., May 10, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Following on the heels of their multi-year strategic alliance, Activision, Inc. (Nasdaq: ATVI) and DreamWorks Animation SKG (NYSE: DWA) announced today that Activision will be opening a dedicated studio facility on the DreamWorks campus. The move, which establishes an unprecedented level of collaboration between a Hollywood studio and a video game company, will facilitate simultaneous co-development between DreamWorks' CG feature films and Activision games based on those films.

"This announcement marks an unparalleled step in the convergence between Hollywood and video games," stated Robert Kotick, Chairman and CEO, Activision, Inc. "For the first time, we will be able to align our games' production schedules with the movies' from the pre-production phase onward. This will allow us to fully leverage the movie assets and storylines, in addition to collaborating closely with the talented production teams at DreamWorks to develop storylines that expand the movie experience in new and compelling ways."

"We're excited to have the game designers and film creators exchanging ideas on a daily basis," said Jeffrey Katzenberg, CEO of DreamWorks Animation. "We hope to create an immersive atmosphere that will help us continue to produce the finest in cutting-edge video games with Activision."

In November 2005, Activision signed a multi-year agreement with DreamWorks Animation for the exclusive video game rights to all current and future console platforms, PC, and handheld devices for DreamWorks' upcoming feature films -- "Bee Movie," "Kung Fu Panda," "Rex Havoc" and "How to Train Your Dragon." The deal also extended Activision's rights beyond "Shrek the Third" to include potential future films in the "Shrek" franchise. The company's alliance with DreamWorks has resulted in more than \$300 million in video game sales worldwide.

About DreamWorks Animation SKG

DreamWorks Animation SKG (NYSE: DWA) is principally devoted to developing and producing computer-generated, or CG-animated, feature films. With world-class creative talent, a strong and experienced management team and advanced CG filmmaking technology and techniques, DreamWorks Animation makes high quality CG-animated films meant for a broad movie-going audience.

About Activision, Inc.

Headquartered in Santa Monica, California, Activision, Inc. is a leading worldwide developer, publisher and distributor of interactive entertainment and leisure products. Founded in 1979, Activision posted net revenues of \$1.47 for the fiscal year ended March 31, 2006.

Activision maintains operations in the U.S., Canada, the United Kingdom, France, Germany, Italy, Japan, Australia, Scandinavia, Spain and the Netherlands. More information about Activision and its products can be found on the company's World Wide Web site, which is located at www.activision.com.

The statements made in this press release that are not historical facts are "forward-looking statements." These forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties. The Company cautions readers of this press release that a number of important factors could cause Activision's actual future results to differ materially from those expressed in any such forward-looking statements. Such factors include, without limitation, product delays, retail acceptance of our products, industry competition, rapid changes in technology and industry standards, protection of proprietary rights, maintenance of relationships with key personnel, vendors and third-party developers, international economic and political conditions, integration of recently acquired subsidiaries and identification of suitable future acquisition opportunities. These important factors and other factors that potentially could affect the Company's financial results are described in our filings with the Securities and Exchange Commission, including the Company's most recent Annual report on Form 10-K and Quarterly Report on Form 10-Q. Readers of this press release are referred to such filings. The Company may change its intention, belief or expectation, at any time and without notice, based upon any changes in such factors, in the Company's assumptions or otherwise. The Company undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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